



# MEMORANDUM

**TO:** CCSF Non-Profit Partners

**FROM:** Ben Rosenfield, Controller

**DATE:** April 28, 2017

**SUBJECT:** Transition to New Financial System

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As you may already know, the City and County of San Francisco will transition to a new financial system in early July 2017. Your organization should have already received separate communications from the Controller's Office regarding how to set up an account on the new system, which will allow you to track your payment requests and continue to receive direct deposits via ACH. Please ensure that your organization follows those instructions – doing so will ensure continuity of the City's ability to make payments to your organization without unnecessary delays.

**This letter specifically addresses how nonprofit partners and the City can work together to ensure a smooth transition with minimal disruption to payment processes.**

In order to facilitate the transition of financial data from the City's current financial system to the new system, the City's FY16-17 year-end close deadlines will be different than in years past. We recognize that this may require you to change your year-end billing process. The Controller's Office respectfully requests your cooperation to ensure a smooth transition for everyone.

## What Does This Mean

- Effective June 27, City departments will be unable to process any transactions in the old financial system. After this date, no vendor payments can be made, nor will the Controller's Office be able to issue paper checks. This time period, when the old system is out of service, and the new system is not yet live, we are referring to as a blackout period.
- We anticipate being able to process payments in the new financial system shortly after the July 4<sup>th</sup> holiday. However, payments may take longer than normal due to staff becoming familiar with the new system and the backlog of payment requests from the blackout period.
- To prevent a delay in payment for FY16-17 services, **all invoices for services provided through May 2017 should be submitted to your City department(s) by June 16, 2017.**

If invoices have no significant issues, this will give the department(s) time to complete internal processing and make payments before the blackout begins.

- **Invoices for FY16-17 services not submitted by June 16, 2017 will be processed no earlier than July 5, 2017 in the new financial system.** You will still be paid, but you should be aware that there may be a significant, unavoidable delay in payment processing.

The above applies to all invoices, regardless of the fund source used to pay the invoice.

### Instructions for June Invoices

Please coordinate with each department to determine the appropriate approach for your June invoices.

- Most departments will require that you submit one invoice starting in mid-July for services provided in the month of June. All invoices for June services must be submitted by August 15, 2017.
- Some departments will be using an alternative process which will require two invoices for June services for some or all of their CBO partners. Those departments will contact you directly and provide more specific instructions, but generally:
  - Cost-Reimbursement invoices may be submitted by June 16, 2017 reflecting a conservative estimate of all of June's actual costs and a second, final June invoice may be submitted starting in July to capture remaining costs.
  - Fee-for-Service invoices may be submitted reflecting both actual and estimated June services by June 16, 2017; a final June invoice may be submitted in July, adjusted to actuals.
- After June 16, 2017, you can continue to submit FY16-17 invoices through each department's unique process/ portal / system. You will be able to submit invoices during the blackout period, but any invoices received after June 16, 2017 will not be paid until after July 5, 2017.

### What You Can Do to Prepare

- We encourage you to submit invoices for services through May 2017 in a timely manner, while still following the guidance set in your individual contract(s). Please submit invoices for services provided through May 2017 prior to June 16, 2017.
- You should be prepared to submit your final June invoice or final adjustment to the June invoice by August 15, 2017.

Thank you for helping us ensure as smooth a transition as possible.